

In this issue:

Cattle on Feed  
Meat Animal Production, Disposition, and Income,  
and Market Implications

Kansas Cattle On Feed

The number of **cattle on feed** on May 1, 2004 in Kansas feedlots with 1,000 head or more capacity totaled 2.24 million head, down 1 percent from a year ago and down 5 percent April 1, 2004. **Placements** during April totaled 355,000 head, down 15 percent from a year ago and 23 percent below March 2004 placements of 460,000 head. **Marketings** during April totaled 440,000 head, 2 percent

below from April 2003 and 6 percent below March 2004. **Other disappearance** was 35,000 head, up 15,000 from a year ago and up 15,000 from the previous month. The percent of April placements by weight was: under 600 pounds, 13 percent; 600-699 pounds, 17 percent; 700-799 pounds, 39 percent; and 800 pounds or heavier, 31 percent.

Cattle On Feed, Placements, Marketings, And Other Disappearance,  
1,000+ Head Capacity Feedlots, Selected States and United States, April - May 2003 - 2004

State	Number on Feed <sup>1</sup>				April Placements	April Marketings		Other Disappearance during April <sup>2</sup>		
	Apr 1 2004	May 1								
		2003	2004	% of 2003						
	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>(%)</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>
AZ .....	293	269	295	110	32	31	40	27	1	2
CA .....	495	470	500	106	61	75	63	67	3	3
CO .....	970	1,000	940	94	200	155	165	175	5	10
ID .....	255	275	250	91	45	45	49	47	1	3
IA .....	415	370	415	112	57	57	60	53	2	4
<b>KS .....</b>	<b>2,360</b>	<b>2,270</b>	<b>2,240</b>	<b>99</b>	<b>420</b>	<b>355</b>	<b>450</b>	<b>440</b>	<b>20</b>	<b>35</b>
NE .....	2,210	2,080	2,100	101	320	320	420	420	10	10
NM .....	105	101	105	104	21	14	24	11	1	3
OK .....	330	330	310	94	68	51	75	68	3	3
SD .....	205	210	200	95	31	26	29	28	2	3
TX .....	2,640	2,680	2,560	96	540	415	520	480	10	15
WA .....	170	170	160	94	25	24	34	33	1	1
Oth Sts .....	300	310	285	92	50	35	56	45	4	5
U.S.	10,748	10,535	10,360	98	1,870	1,603	1,985	1,894	63	97

<sup>1</sup> Being fattened for slaughter market on grain or other concentrates to grade select or better. <sup>2</sup> Includes death loss, movement from feedlots to pastures and shipments to other feedlots.

U.S. Cattle On Feed

**Cattle and calves on feed** for slaughter market in the United States in feedlots with capacity of 1,000 or more head totaled 10.36 million head on May 1, 2004. The inventory was down 2 percent from the 10.54 million head on May 1, 2003 and 5 percent below May 1, 2002. **Placements** in feedlots during April totaled 1.60 million, 14 percent below 2003 but 10 percent above 2002. Net placements were 1.51 million. During April, placements of cattle and calves

weighing less than 600 pounds were 316,000; 600-699 pounds were 302,000; 700-799 pounds were 567,000; and 800 pounds and greater were 418,000. **Marketings** of fed cattle during April totaled 1.89 million, 5 percent below 2003 and 5 percent below 2002. **Other disappearance** totaled 97,000 during April, 54 percent above 2003 and 17 percent above 2002.

Cattle On Feed: Number Placed On Feed By Weight Group,  
1,000+ Head Capacity Feedlots, Selected States and United States, April 2003-2004

State	Placed in April									
	Under 600 lbs.		600-699 lbs.		700-799 lbs.		800 Plus lbs.		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>
CO .....	17	16	36	37	72	62	75	40	200	155
<b>KS .....</b>	<b>50</b>	<b>45</b>	<b>85</b>	<b>60</b>	<b>145</b>	<b>140</b>	<b>140</b>	<b>110</b>	<b>420</b>	<b>355</b>
NE .....	39	50	53	52	99	105	129	113	320	320
TX .....	80	85	90	100	192	175	178	55	540	415
Other States .....	110	120	60	53	105	85	115	100	390	358
U.S. ....	296	316	324	302	613	567	637	418	1,870	1,603



Kansas Department of Agriculture  
U.S. Department of Agriculture  
P.O. Box 3534  
Topeka, Kansas 66601-3534

Kansas Cattle And Hog Production, Disposition, And Income

Kansas **cattle** producers realized 5.63 billion dollars in gross income during 2003, up 17 percent from 2002. An average cattle price of \$82.90 per hundredweight, up \$14.30, offset a 3 percent decrease in marketings. Gross **hog** income totaled 252 million dollars, up 10 percent, for Kansas producers in 2003. The average 2003 hundredweight price, at \$35.20, was \$3.90 higher than 2002. Marketings were slightly lower than the previous year.

Cattle And Calves Production, Disposition, And Income, Kansas 2002 - 2003

Year	Inventory January 1	Calf Crop	Inshipments	Marketings		Farm Slaughter	Deaths	
				Cattle	Calves		Cattle	Calves
	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>
2002	6,600	1,510	4,150	5,709	1.5	4.5	120	75
2003	6,350	1,550	4,580	5,609	1.5	4.5	135	80

Year	Production	Marketings	Average Price per Cwt.		Value of Production	Cash Receipts	Value of Home Consumption	Gross Income
			Cattle	Calves				
	<i>1,000 Pounds</i>	<i>1,000 Pounds</i>	<i>Dollars</i>	<i>Dollars</i>	<i>1,000 Dollars</i>	<i>1,000 Dollars</i>	<i>1,000 Dollars</i>	<i>1,000 Dollars</i>
2002	4,066,799	7,011,340	68.60	98.20	2,364,418	4,809,880	9,093	4,818,973
2003	4,025,140	6,776,350	82.90	107.00	3,032,973	5,617,679	10,605	5,628,284

Hogs And Pigs Production, Disposition, And Income, Kansas 2002 - 2003

Year	Inventory Dec. 1 Prev. Year	Pig Crop	Inshipments	Marketings	Farm Slaughter	Deaths
		December - November				
	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>1,000 Head</i>
2002	1,570	2,787	385	2,966	1	245
2003	1,530	2,757	535	2,944	1	227

Year	Production	Marketings	Average Price per Cwt.	Value of Production	Cash Receipts	Value of Home Consumption	Gross Income
	<i>1,000 Pounds</i>	<i>1,000 Pounds</i>	<i>Dollars</i>	<i>1,000 Dollars</i>	<i>1,000 Dollars</i>	<i>1,000 Dollars</i>	<i>1,000 Dollars</i>
2002	656,466	685,250	31.30	212,268	228,721	326	229,047
2003	678,442	684,291	35.20	238,713	252,010	365	252,375

MARKET IMPLICATION -Provided by Jim Mintert, Extension Ag Economist at KSU - Research & Extension Service

During the first half of the spring quarter, Kansas slaughter steer prices averaged \$86.72/cwt., 10% higher than last year. Weekly average prices peaked at \$90.39/cwt. in early May, but slipped back to about \$86 the week ending May 21<sup>st</sup>. Slaughter cattle prices have been higher than last year since the last week of February.

USDA’s weekly average light Choice boxed beef cutout value peaked in mid-April at nearly \$162/cwt. (weekly average), and has drifted lower since then, averaging about \$154/cwt. the third week of May. The spring quarter light Choice cutout averaged about \$158/cwt. so far this spring.

Cattle prices this spring have been supported by surprisingly small slaughter and beef production. Half way through the spring quarter, federally inspected cattle slaughter averaged 7.9% below 2003’s, similar to the 7% year-to-year decline observed during the January-March quarter. Cattle feeders are keeping their marketings current based upon the fact that steer weights were still below a year ago during early May. During the January-March quarter, steer weights were 2% lighter than a year. Through early May, dressed steer weights this spring averaged about 1% below a year ago. The combination of small slaughter and lighter weights means beef production this spring has also fallen well below a year ago, averaging about 8% below 2003’s.

USDA’s May **Cattle On Feed** report indicated the on feed inventory was 2% smaller than last year and that gross placements of cattle on feed during May fell 14% below 2003’s. Net placements during May fell nearly 17% below last year. So far this year, net placements of cattle on feed in the U.S. have fallen 929,000 head below 2003’s. Placements of cattle weighing over 800 pounds dropped sharply during May, falling 34% below a year ago. Both the on feed inventory and placements estimates were slightly smaller than expected by the trade prior to the report’s release.

Slaughter cattle supplies are expected to remain tight the rest of the spring and into summer. Net placements of cattle on feed in the U.S. during January-April 2004 were 13% below 2003’s. Strong domestic beef demand (up 11% during first quarter ’04 vs. first quarter ’03) and smaller slaughter supplies than last year suggest prices this summer could bottom out in the low \$80’s to high \$70’s, despite the absence of beef exports to Japan.

For a more detailed narrative visit [www.agmanager.info/livestock/marketing](http://www.agmanager.info/livestock/marketing)